



General Assembly

Amendment

February Session, 2008

LCO No. 5426

HB0551205426HDO

Offered by:

REP. O'CONNOR, 35th Dist.

SEN. CRISCO, 17th Dist.

To: Subst. House Bill No. 5512

File No. 296

Cal. No. 163

"AN ACT CONCERNING LIFE SETTLEMENTS."

1 In line 65, after "company" insert ", life settlement company or
2 investor"

3 In line 226, strike "a" and insert "an act," in lieu thereof

4 In line 226, strike "plan" and insert "arrangement" in lieu thereof

5 In line 529, after "contract" insert "using a form"

6 After line 593, insert the following and renumber the remaining
7 sections and internal references accordingly:

8 "(c) No insurer shall (1) prohibit a life insurance producer or broker
9 from disclosing to a client the availability of a life settlement contract,
10 or (2) include any provision in a life insurance policy that prohibits the
11 lawful assignment of such policy."

12 In line 597, strike "For any policy settled within five"

13 In line 598, strike "years of policy issuance, on" and insert "On" in
14 lieu thereof

15 In line 603, after "to," insert "for any policy settled within five years
16 of policy issuance,"

17 In line 821, after "broker" strike the closing bracket

18 In line 821, after "viatical settlement" insert "] or"

19 In line 1063, after "broker." insert the following: "Failure to provide
20 the disclosures or rights set forth in this section shall be deemed an
21 unfair practice pursuant to section 38a-816 of the general statutes."

22 In line 1086, strike "trade"

23 Strike line 1087 in its entirety and insert "section 38a-815." in lieu
24 thereof

25 Strike lines 1482 to 1496, inclusive, in their entirety and insert in lieu
26 thereof:

27 "(5) Receive, if providing premium financing, any proceeds, fees or
28 other consideration from the policy or policy owner that are in
29 addition to the amounts required to pay principal, interest or any costs
30 or expenses, which are reasonable in type and amount, incurred by
31 the lender or borrower in connection with such premium finance
32 agreement, except in the event of a default, provided neither default on
33 such loan or the transfer of the policy, in connection with such default,
34 is pursuant to an agreement or understanding with any other person
35 for the purpose of evading regulation under this part. Any payments,
36 charges, fees or other amounts received by a person or entity
37 providing premium financing in violation of this subdivision shall be
38 remitted to the original owner of the policy or to such owner's estate if
39 said original owner is not living at the time of the determination of the
40 overpayment;"

41 In line 1501, after "broker" insert ", unless such relationship is

42 disclosed to the owner"

43 In line 1507, after "contract" insert ", unless such relationship is
44 disclosed to the owner"

45 Strike lines 1781 to 1783, inclusive, in their entirety.

46 After the last section, add the following and renumber sections and
47 internal references accordingly:

48 "Sec. 501. Subdivision (20) of section 38a-816 of the general statutes
49 is repealed and the following is substituted in lieu thereof (*Effective*
50 *October 1, 2008*):

51 (20) Any violation of sections 38a-465 to [38a-465m,] 38a-465q,
52 inclusive,as amended by this act."